

AMENDED IN ASSEMBLY AUGUST 8, 2016

AMENDED IN ASSEMBLY MAY 25, 2016

**SENATE BILL**

**No. 854**

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**Introduced by Committee on Budget and Fiscal Review**

January 7, 2016

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*An act relating to the Budget Act of 2016, to amend Section 44393 of the Education Code, to amend Section 65057 of the Government Code, to amend Sections 10507.8 and 20651.7 of the Public Contract Code, and to amend Section 34 of Chapter 24 of, and to amend Section 39 of Chapter 29 of, the Statutes of 2016, relating to education, and making an appropriation therefor, to take effect immediately, bill related to the budget.*

LEGISLATIVE COUNSEL'S DIGEST

SB 854, as amended, Committee on Budget and Fiscal Review.  
~~Budget Act of 2016. Education.~~

*(1) Existing law establishes the California Classified School Employee Teacher Credentialing Program for the purpose of recruiting classified school employees to participate in a program designed to encourage them to enroll in teacher training programs and to provide instructional service as teachers in the public schools. Subject to an appropriation for these purposes, existing law requires the Commission on Teacher Credentialing, among other things, to adopt criteria for the selection of school districts, charter schools, or county offices of education to participate in the program. Existing law requires that criteria to include the extent to which the applicant's plan for recruitment attempts to meet the demand for teachers in shortage areas, as specified.*

*This bill would add to that criteria the extent to which the applicant's plan for recruitment attempts to meet the demand for bilingual cross-cultural teachers.*

*(2) Existing law establishes, until January 1, 2020, the California Initiative to Advance Precision Medicine under the administration of the Office of Planning and Research in the Governor's Office for the purpose of developing, implementing, awarding funding to, and evaluating demonstration projects on precision medicine in collaboration with public, nonprofit, and private entities, as specified.*

*This bill would exempt the office's implementation and interpretation of the California Initiative to Advance Precision Medicine from the Administrative Procedure Act.*

*(3) Existing law requires the Regents of the University of California, except as provided, to let all contracts involving an expenditure of more than \$100,000 annually for goods and materials or services to the lowest responsible bidder meeting certain specifications, or to reject all bids. Existing law requires the governing board of any community college district to let specified contracts involving an expenditure of more than \$50,000 to the lowest responsible bidder meeting certain specifications, or else to reject all bids. Existing law provides that, before the repeal date of January 1, 2018, the bid evaluation and selection for these contracts may be determined by the best value for the University of California or community college district, as specified. Existing law requires the Legislative Analyst to report, on or before February 1, 2017, to the Legislature regarding the use of best value procurement by the University of California and community college districts.*

*This would make that repeal date January 1, 2019, and would make the deadline for the reports regarding the University of California and a community college district's use of best value procurement on or before February 1, 2018.*

*(4) The California Library Services Act establishes the California Library Services Board and provides that its duties include, among other things, adopting rules, regulations, and general policies relating to the implementation of the act. Existing law appropriates \$3,000,000 from the General Fund to the California State Library for allocation, as specified. Existing law requires the California State Library, on or before September 1, 2017, to submit a specified report on the use of those funds to the Director of Finance and the Legislature.*

*This bill would remove a redundant provision from that reporting law.*

*(5) Existing law appropriates \$18,000,000 from the General Fund to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction. Existing law requires the Superintendent to allocate the funds to local educational agencies as grants for dropout and truancy prevention programs pursuant to legislation enacted in the 2015–16 Regular Session.*

*This bill would authorize the department to use up to \$300,000, of the \$18,000,000 appropriated, to contract with a local educational agency for the purpose of conducting regional meetings, training, and other assistance as needed to support the grantees receiving grant moneys for dropout and truancy prevention programs pursuant to legislation enacted in the 2015–16 Regular Session and pursuant to the development and submission of an expenditure plan, as specified. By expanding the purposes of an existing appropriation, the bill would make an appropriation.*

*(6) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.*

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2016.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 44393 of the Education Code is amended  
2 to read:

3     44393. (a) The California Classified School Employee Teacher  
4 Credentialing Program is hereby established for the purpose of  
5 recruiting classified school employees to participate in a program  
6 designed to encourage them to enroll in teacher training programs  
7 and to provide instructional service as teachers in the public  
8 schools.

9     (b) Subject to an appropriation for these purposes in the annual  
10 Budget Act or another statute, the commission shall issue a request  
11 for proposals to all school districts, charter schools, and county  
12 offices of education in the state in order to solicit applications for  
13 funding. The criteria adopted by the commission for the selection

1 of school districts, charter schools, or county offices of education  
2 to participate in the program shall include all of the following:

3 (1) The extent to which the applicant demonstrates the capacity  
4 and willingness to accommodate the participation of classified  
5 school employees in teacher training programs conducted at  
6 institutions of higher education or a local educational agency.

7 (2) The extent to which the applicant's plan for the  
8 implementation of its recruitment program involves the active  
9 participation of one or more local campuses of the participating  
10 institutions of higher education in the development of coursework  
11 and teaching programs for participating classified school  
12 employees. Each selected applicant shall be required to enter into  
13 a written articulation agreement with the participating campuses  
14 of the institutions of higher education.

15 (3) The extent to which the applicant's plan for recruitment  
16 attempts to meet the demand for *bilingual cross-cultural teachers*  
17 *and* teachers in shortage areas in transitional kindergarten,  
18 kindergarten, and grades 1 to 12, inclusive.

19 (4) The extent to which a developmentally sequenced series of  
20 job descriptions leads from an entry-level classified school  
21 employee position to an entry-level teaching position in that school  
22 district, charter school, or county office of education.

23 (5) The extent to which the applicant's plan for recruitment  
24 attempts to meet its own specific teacher needs.

25 (c) An applicant that is selected to participate pursuant to  
26 subdivision (b) shall provide information about the program to all  
27 eligible classified school employees in the school district, charter  
28 school, or county office of education and assistance to each  
29 classified school employee it recruits under the program regarding  
30 admission to a teacher training program.

31 (d) (1) An applicant shall require participants to satisfy both  
32 of the following requirements before participating in the program:

33 (A) Pass a criminal background check.

34 (B) Provide verification of one of the following:

35 (i) Has earned an associate or higher level degree.

36 (ii) Has successfully completed at least two years of study at a  
37 postsecondary educational institution.

38 (2) An applicant shall certify that it has received a commitment  
39 from each participant that he or she will accomplish all of the  
40 following:

1 (A) Graduate from an institution of higher education under the  
2 program with a bachelor’s degree.

3 (B) Complete all of the requirements for, and obtain, a multiple  
4 subject, single subject, or education specialist teaching credential.

5 (C) Complete one school year of classroom instruction in the  
6 school district, charter school, or county office of education for  
7 each year that he or she receives assistance for books, fees, and  
8 tuition while attending an institution of higher education under the  
9 program.

10 (e) The commission shall contract with an independent evaluator  
11 with a proven record of experience in assessing teacher training  
12 programs to conduct an evaluation to determine the success of the  
13 program. The evaluation shall be completed on or before July 1,  
14 2021. The commission shall submit the completed evaluation to  
15 the Governor and the education policy and fiscal committees of  
16 the Assembly and Senate.

17 (f) On or before January 1 of each year, the commission shall  
18 report to the Legislature regarding the status of the program,  
19 including, but not limited to, the number of classified school  
20 employees recruited, the academic progress of the classified school  
21 employees recruited, the number of classified school employees  
22 recruited who are subsequently employed as teachers in the public  
23 schools, the degree to which the applicant meets the teacher  
24 shortage needs of the school district, charter school, or county  
25 office of education, and the ethnic and racial composition of the  
26 participants in the program. The report shall be made in  
27 conformance with Section 9795 of the Government Code.

28 *SEC. 2. Section 65057 of the Government Code is amended to*  
29 *read:*

30 65057. (a) The California Initiative to Advance Precision  
31 Medicine is hereby established in the office. In establishing the  
32 initiative, the office shall incorporate agreements and partnerships  
33 regarding precision medicine entered into by the office prior to  
34 January 1, 2016.

35 (b) (1) The office shall develop, implement, and evaluate  
36 demonstration projects on precision medicine in collaboration with  
37 public, nonprofit, and private entities. A demonstration project  
38 may focus on one or more disease areas, and an award of funds  
39 under any appropriation of funds to the office for precision

- 1 medicine shall be based on criteria that include, but are not limited  
2 to, the following:
- 3 (A) The potential for tangible benefit to patients within two to  
4 five years, including the likelihood that the study will have an  
5 immediate impact on patients.
  - 6 (B) The depth and breadth of data available in the disease focus  
7 areas across institutions.
  - 8 (C) The prospects for efficient and effective data integration  
9 and analysis.
  - 10 (D) The expertise of potential team members.
  - 11 (E) The resources available for the project outside of the  
12 initiative, including the potential for leveraging nonstate funding.
  - 13 (F) The clinical and commercial potential of the project.
  - 14 (G) The potential to reduce health disparities.
  - 15 (H) The potential to scale and leverage multiple electronic health  
16 records systems.
  - 17 (I) The potential to develop the use of tools, measurements, and  
18 data, including publicly generated and available data.
- 19 (2) A demonstration project that is selected by the office shall  
20 advance greater understanding in at least one of the following  
21 areas, or in another area that is determined by the office to be  
22 necessary to advance precision medicine:
- 23 (A) The application of precision medicine to specific disease  
24 areas.
  - 25 (B) The challenges of system interoperability.
  - 26 (C) Economic analysis.
  - 27 (D) Standards for sharing data or protocols across institutions.
  - 28 (E) The federal and state regulatory environment.
  - 29 (F) The clinical environment.
  - 30 (G) Challenges relating to data, tools, and infrastructure.
  - 31 (H) The protection of privacy and personal health information.
  - 32 (I) The potential for reducing health disparities.
  - 33 (J) Methods and protocols for patient engagement.
- 34 (3) The office shall develop concrete metrics and goals for  
35 demonstration projects, monitor their progress, and  
36 comprehensively evaluate projects upon completion.
- 37 (4) (A) On or before January 1, 2017, and annually thereafter,  
38 the office shall submit a report to the Legislature that provides an  
39 update of the demonstration projects selected. Upon completion  
40 of a demonstration project, the office shall submit an evaluation

1 of the demonstration project to the Legislature. A demonstration  
2 project is deemed complete when it has completed the agreed upon  
3 tasks and deliverables, and the project funding has been completed.

4 (B) A written report made pursuant to subparagraph (A) shall  
5 be made in compliance with Section 9795.

6 (c) The office shall develop an inventory of precision medicine  
7 assets, including projects, data sets, and experts. In developing the  
8 inventory, the office shall assemble knowledge across broad disease  
9 areas. The office shall use the inventory to inform strategic areas  
10 for the future development of precision medicine-related projects.

11 (d) The office may enter into agreements with public entities,  
12 or with nonprofit or not-for-profit organizations for the purpose  
13 of jointly administering the programs established under the  
14 initiative or to administer any provision of this section.

15 (e) The office shall create and post on a publicly available  
16 Internet Web site guidelines for an award of funds made under  
17 any appropriation of funds to the office for precision medicine.  
18 The guidelines shall include, but are not limited to, the following:

19 (A) Eligibility requirements.

20 (B) A competitive, merit-based application process that allows  
21 public and private academic and nonprofit institutions to submit  
22 proposals as principal investigators.

23 (C) A comprehensive peer-reviewed selection process.

24 (D) Requirements regarding the use of awarded funds.

25 (E) Requirements regarding the use and sharing of research data  
26 and findings.

27 (F) Requirements for the protection of privacy and personal  
28 health information.

29 (f) The office shall solicit public, nonprofit, and private sector  
30 input for any additional guidelines for an award of funds made  
31 pursuant to this section.

32 (g) The office shall establish standards that require a grant to  
33 be subject to an intellectual property agreement that balances the  
34 opportunity of the state to benefit from the patents, royalties, and  
35 licenses that result from basic research, therapy development, and  
36 clinical trials against the need to ensure that the agreement does  
37 not unreasonably hinder essential medical research.

38 (h) The office may receive nonstate funds in furtherance of the  
39 initiative. “In furtherance of the initiative” means that funds may  
40 be used to award additional demonstration projects under the same

1 terms and conditions as state funds in the initiative, held in reserve  
2 for follow-on funding of any awardees, or used to fund other  
3 nondemonstration project activities in a proportion no greater than  
4 20 percent of the total of nonstate funds received over the term of  
5 the commitment. The office shall return unexpended nonstate funds  
6 to the source before January 1, 2020.

7 (i) Up to 30 percent of any amount appropriated to the office  
8 for precision medicine may be held by the office until an equivalent  
9 amount of nonstate matching funds is identified and received.  
10 Amounts subject to nonstate match may be released in increments  
11 as determined by the office.

12 (j) Up to 10 percent of any amount appropriated to the office  
13 for precision medicine may be used by the office for administrative  
14 costs.

15 (k) The office shall recruit a precision medicine expert selection  
16 committee to represent various precision medicine-related skills,  
17 such as bioinformatics, statistics, health economics, patient  
18 engagement, and genomics. The Legislature may make nominations  
19 for the selection committee to the office for consideration.

20 (l) Members of the selection committee shall be deemed to not  
21 be interested in any contract, including any award of funds by the  
22 committee, pursuant to this section.

23 (m) Prior to the selection committee's deliberative process, the  
24 office shall notify the Legislature of the selection of the committee  
25 members.

26 (n) The selection committee established in subdivision (k) shall  
27 comply with the Bagley-Keene Open Meeting Act (Article 9  
28 commencing with Section 11120) of Chapter 1 of Part 1 of  
29 Division 3 of Title 2), except during the deliberative process as it  
30 relates to reviewing and ranking proposals and making final  
31 selections.

32 (o) The selection committee shall report on the justification for  
33 selecting the demonstration projects that are awarded funding and  
34 provide a list of the demonstration projects that were not selected.  
35 This report shall be posted on the Internet Web site created in  
36 subdivision (e).

37 (p) *Notwithstanding the rulemaking provisions of the*  
38 *Administrative Procedure Act (Chapter 3.5 (commencing with*  
39 *Section 11340) of Part 1 of Division 3 of Title 2), the office may*

1 *implement or interpret this article without taking any regulatory*  
2 *action.*

3 *SEC. 3. Section 10507.8 of the Public Contract Code is*  
4 *amended to read:*

5 10507.8. (a) As provided for in this article, when the University  
6 of California determines that it can expect long-term savings  
7 through the use of life-cycle cost methodology, the use of more  
8 sustainable goods and materials, and reduced administrative costs,  
9 the lowest responsible bidder may be selected on the basis of the  
10 best value to the university. In order to implement this method of  
11 selection, the Regents of the University of California shall adopt  
12 and publish policies and guidelines for evaluating bidders that  
13 ensure that best value selections by the university are conducted  
14 in a fair and impartial manner. These policies and guidelines shall  
15 conform to the requirements of subdivisions (c) and (d) and shall  
16 be applicable to the university when using best value as the bid  
17 evaluation methodology.

18 (b) For the purposes of this section, the following definitions  
19 apply:

20 (1) “Best value” means the most advantageous balance of price,  
21 quality, service, performance, and other elements, as defined by  
22 the university, achieved through methods in accordance with this  
23 section and determined by objective performance criteria that may  
24 include price, features, long-term functionality, life-cycle costs,  
25 overall sustainability, and required services.

26 (2) “Best value agreement” means an agreement entered into  
27 pursuant to the provisions of this section.

28 (3) “Best value awardee” means the lowest responsible bidder  
29 or bidders that are awarded an agreement for goods, materials, or  
30 services that was awarded through the use of best value for the bid  
31 evaluation methodology.

32 (4) “Best value criteria” means those criteria set forth in  
33 subdivision (d).

34 (5) “University” means all current campuses and locations of  
35 the University of California, including the medical centers, the  
36 national laboratories, and any future University of California  
37 campuses and locations.

38 (c) (1) The university shall consider all of the following when  
39 adopting policies and guidelines pursuant to subdivision (a):

- 1 (A) Price and service proposals that reduce the university's
- 2 overall operating costs.
- 3 (B) Supply and material standards that support the university's
- 4 strategic sourcing initiatives.
- 5 (C) A procedure for bid protest and resolution.
- 6 (2) The university shall award a best value agreement as follows:
- 7 (A) The university shall evaluate bidders based solely upon the
- 8 best value criteria set forth in the solicitation documents.
- 9 Solicitation for bids shall describe the best value criteria that the
- 10 university will consider in evaluating the bidders by overall
- 11 category and by specific attributes.
- 12 (B) The university shall award the agreement to the lowest
- 13 responsible bidder or bidders whose bid or bids are determined by
- 14 the university to be the best value in terms of price, quality, service,
- 15 and performance, and that meet the university's requirements.
- 16 (C) Bid participants that are not awarded a best value agreement
- 17 shall be notified in writing at the end of the agreement award
- 18 process.
- 19 (d) For the purposes of this section, the university may take into
- 20 consideration any of the following best value criteria when
- 21 awarding a best value agreement for goods, materials, and services:
- 22 (1) The total cost to the university of its use or consumption of
- 23 goods, materials, and services.
- 24 (2) The operational cost or benefit incurred by the university as
- 25 a result of a contract award.
- 26 (3) The added value to the university, as defined in the request
- 27 for proposal, of vendor-added services.
- 28 (4) The quality and effectiveness of goods, materials, and
- 29 services.
- 30 (5) The use of more sustainable goods and materials in the
- 31 manufacturing of the goods and materials and the packaging of
- 32 these products.
- 33 (6) The reliability and timeliness of delivery and installation.
- 34 (7) The terms and conditions of product warranties, maintenance,
- 35 and vendor guarantees.
- 36 (8) The vendor's quality assurance, continuous improvement,
- 37 and business resumption programs and their benefit to the
- 38 university.
- 39 (9) The vendor's experience with the timely provision of goods,
- 40 materials, and services.

1 (10) The consistency of quality and availability of the vendor's  
2 proposed supplies, materials, and services with the university's  
3 overall procurement program.

4 (11) The economic benefits to the local community, including,  
5 but not limited to, job creation or retention and the support of small  
6 and local businesses.

7 (e) The university shall ensure that all businesses have a fair  
8 and equitable opportunity to compete for, and participate in, the  
9 university best value bids and shall also ensure that discrimination  
10 in the award and performance of the agreement does not occur on  
11 the basis of gender, marital status, ancestry, medical condition, or  
12 any characteristic listed or defined in Section 11135 of the  
13 Government Code, or retaliation for having filed a discrimination  
14 complaint or protest in the performance of university contractual  
15 obligations.

16 (f) (1) On or before July 1, 2016, the University of California  
17 shall provide the Legislative Analyst's Office with a list of the  
18 policies and procedures adopted pursuant to subdivision (a). In  
19 addition, the university shall also collect and provide the following  
20 information to the Legislative Analyst's Office for each contract  
21 involving an expenditure of more than one hundred thousand  
22 dollars (\$100,000) for goods, materials, or services that was entered  
23 into on or after the effective date of this section:

24 (A) Whether the contract was awarded to the lowest responsible  
25 bidder or using best value.

26 (B) A description of the products, commodities, or services as  
27 defined in the bid solicitation.

28 (C) The names of the awardee or awardees of the agreement or  
29 agreements.

30 (D) The actual volume resulting from the agreements, or  
31 estimated volume if the agreements are less than one year old, of  
32 all purchases.

33 (E) A description of any written bid protest or protests  
34 concerning an aspect of the solicitation, bid, or award of the  
35 agreement, including the resolution of the protest.

36 (F) For each contract awarded using best value, the criteria used  
37 to evaluate the bids, as well as a summary of the rationale for  
38 awarding the contract.

39 (G) For each contract awarded using best value, a summary of  
40 any additional economic benefit other than the price of the contract,

1 including an explanation of whether those benefits were realized  
2 as expected.

3 (H) For each contract awarded using best value, the university  
4 shall identify one or more comparable contracts awarded using  
5 the traditional lowest responsible bidder method, including, but  
6 not limited to, contracts awarded prior to the adoption of the best  
7 value acquisition policies.

8 (2) On or before February 1, ~~2017~~, 2018, the Legislative Analyst  
9 shall report to the Legislature on the use of best value procurement  
10 by the University of California. The Legislative Analyst shall use  
11 the information provided by the university to report all of the  
12 following:

13 (A) An assessment of any benefits or disadvantages of best  
14 value acquisition as compared to bids awarded to the lowest  
15 responsible bidder.

16 (B) An assessment of whether the use of best value procurement  
17 has led to a difference in the number of disputes as compared to  
18 contracts awarded using the traditional lowest responsible bidder  
19 method.

20 (C) An assessment of the policies adopted by the university  
21 pursuant to subdivision (a), as well as an assessment of the  
22 performance criteria used by the university to evaluate the bids  
23 and the effectiveness of the methodology.

24 (D) A comparison of the overall cost of contracts let under best  
25 value acquisition pursuant to this section to similar contracts let  
26 under traditional low bid procurement practices.

27 (E) Recommendations as to whether the best value at lowest  
28 cost acquisition procurement authority should be continued.

29 (g) This section applies solely to the procurement of goods,  
30 materials, or services and shall not apply to construction contracts.

31 (h) This section shall remain in effect only until January 1, ~~2018~~,  
32 2019, and as of that date is repealed.

33 (i) Except as otherwise provided in this article, this article is  
34 not intended to change in any manner any guideline, criteria,  
35 procedure, or requirement of the Regents of the University of  
36 California to let any contract for goods, materials, or services to  
37 the lowest responsible bidder meeting certain specifications or to  
38 reject all bids.

39 *SEC. 4. Section 20651.7 of the Public Contract Code is*  
40 *amended to read:*

1 20651.7. (a) For the purposes of bid evaluation and selection  
2 pursuant to subdivision (a) of Section 20651, when a community  
3 college district determines that it can expect long-term savings  
4 through the use of life-cycle cost methodology, the use of more  
5 sustainable goods and materials, and reduced administrative costs,  
6 the community college district may provide for the selection of  
7 the lowest responsible bidder on the basis of best value pursuant  
8 to policies and procedures adopted by the governing board in  
9 accordance with this section.

10 (b) For purposes of this section, “best value” means the most  
11 advantageous balance of price, quality, service, performance, and  
12 other elements, as defined by the governing board, achieved  
13 through methods in accordance with this section and determined  
14 by objective performance criteria that may include price, features,  
15 long-term functionality, life-cycle costs, overall sustainability, and  
16 required services.

17 (c) A community college district shall consider all of the  
18 following when adopting best value policies pursuant to subdivision  
19 (a):

20 (1) Price and service level proposals that reduce the district’s  
21 overall operating costs, including end-of-life expenditures and  
22 impact.

23 (2) Equipment, services, supplies, and materials standards that  
24 support the community college district’s strategic acquisition and  
25 management program direction.

26 (3) A procedure for protest and resolution.

27 (d) A community college district may consider any of the  
28 following factors if adopting policies and procedures pursuant to  
29 subdivision (c):

30 (1) The total cost to the community college district of its  
31 purchase, use, and consumption of equipment, supplies, and  
32 materials.

33 (2) The operational cost or benefit incurred by the community  
34 college district as a result of a contract award.

35 (3) The added value to the community college district, as defined  
36 in the request for proposal, of vendor-added services.

37 (4) The quality and effectiveness of equipment, supplies,  
38 materials, and services.

39 (5) The reliability of delivery and installation schedules.

- 1 (6) The terms and conditions of product warranties and vendor  
2 guarantees.
- 3 (7) The financial stability of the vendor.
- 4 (8) The vendor's quality assurance program.
- 5 (9) The vendor's experience with the provisions of equipment,  
6 supplies, materials, and services within the institutional  
7 marketplace.
- 8 (10) The consistency of the vendor's proposed equipment,  
9 supplies, materials, and services with the district's overall supplies  
10 and materials procurement program.
- 11 (11) The economic benefits to the local community, including,  
12 but not limited to, job creation and retention.
- 13 (12) The environmental benefits to the local community.
- 14 (e) A community college district awarding a contract under this  
15 section shall award a contract to the lowest responsible bidder  
16 whose proposal is determined, in writing by the community college  
17 district, to be the best value to the community college district based  
18 solely on the criteria set forth in the request for proposal.
- 19 (f) The governing board of a community college district shall  
20 issue a written notice of intent to award supporting its contract  
21 award and stating in detail the basis of the award. The notice of  
22 the intent to award and the contract file must be sufficient to satisfy  
23 an external audit.
- 24 (g) The governing board of a community college district shall  
25 publicly announce its award, identifying the bidder to which the  
26 award is made, the price proposal of the contractor awarded the  
27 contract, and the overall combined rating on the request for  
28 proposal evaluation factors. The announcement shall also include  
29 the ranking of the contractor awarded the contract in relation to  
30 all other responsive bidders and their respective price proposals  
31 and summary of the rationale for the contract award.
- 32 (h) The community college district shall ensure that all  
33 businesses have a fair and equitable opportunity to compete for,  
34 and participate in, district contracts and shall also ensure that  
35 discrimination, as described in subdivision (e) of Section 12751.3  
36 of the Public Utilities Code, in the award and performance of  
37 contracts does not occur.
- 38 (i) (1) If a community college district elects to purchase  
39 equipment, materials, supplies, and services by contract, let in  
40 accordance with this section, the community college district shall

1 submit the following information to the Chancellor of the  
2 California Community Colleges on or before January 1, 2016:

3 (A) The community college district's policies adopted pursuant  
4 to subdivision (a).

5 (B) An annual list of district procurements for contracts with a  
6 brief description of the contract, the winning bid, the cost, and if  
7 the contract was done under best value acquisition policies.

8 (C) For a contract awarded under the best value acquisition  
9 policies, the bid announcement announcing the bidder to which  
10 the award was made, including that bidder's scoring rating  
11 compared to other bidders, the winning contractor's price proposal,  
12 the overall combined rating on the request for proposal evaluation  
13 factors, a description of the products, commodities, or services  
14 sought, and a summary of the rationale for the contract award.

15 (D) For each contract awarded using the best value acquisition  
16 policies at least one bid award announcement for a comparably  
17 priced contract using the traditional lowest responsible bidder  
18 process that specifies the bidder to which the contract was awarded,  
19 the amount of the award, and the request for bid for that contract  
20 that includes a description of the products, commodities, or services  
21 sought for at least one comparably sized contract, to the best value  
22 contract being let, awarded pursuant to the traditional lowest  
23 responsible bidder process including contracts awarded by the  
24 district in the three years prior to the adoption of best value  
25 acquisition policies by the district.

26 (E) For contracts awarded using best value, a summary of any  
27 additional economic benefit other than the price of the contract  
28 obtained, including an explanation of whether these benefits were  
29 realized as expected.

30 (F) The total number of bid protests or protests concerning an  
31 aspect of the solicitation, bid, or award of the agreement since the  
32 district adopted policies pursuant to subdivision (a) and the number  
33 of those protests that occurred under best value.

34 (G) A description of any written bid protest or protests  
35 concerning an aspect of the solicitation, bid, or award of the  
36 agreement including the resolution of the protest for any contract  
37 submitted pursuant to this section.

38 (2) The Legislative Analyst shall request the chancellor to  
39 provide the information specified in paragraph (1) to the Legislative  
40 Analyst on or before July 1, 2016. On or before February 1, ~~2017~~,

1 2018, the Legislative Analyst shall report to the Legislature on the  
2 use of competitive means for obtaining best value procurement by  
3 community college districts. The Legislative Analyst shall use the  
4 information provided by the chancellor to report all of the  
5 following:

6 (A) A summary of the overall benefits of best value acquisition.

7 (B) A comparison of the overall cost of contracts let under best  
8 value acquisition pursuant to this section to similar contracts let  
9 under traditional low bid procurement practices.

10 (C) An assessment of any benefits or disadvantages of best value  
11 procurement practices as compared to bids awarded to the lowest  
12 responsible bidder.

13 (D) An assessment of whether the use of best value procurement  
14 has led to a difference in the number of disputes as compared to  
15 contracts awarded using the traditional lowest responsible bidder  
16 method.

17 (E) An assessment of the policies adopted by the community  
18 college districts pursuant to subdivision (a) as well as an assessment  
19 of the overall performance criteria used to evaluate the bids and  
20 the effectiveness of the methodology.

21 (F) Recommendations as to whether the best value at lowest  
22 cost acquisition procurement authority should be continued.

23 (j) This section shall remain in effect only until January 1, ~~2018,~~  
24 ~~2019,~~ and as of that date is repealed.

25 *SEC. 5. Section 34 of Chapter 24 of the Statutes of 2016 is*  
26 *amended to read:*

27 Sec. 34. (a) The sum of three million dollars (\$3,000,000) is  
28 hereby appropriated from the General Fund to the California State  
29 Library for allocation pursuant to this act.

30 (b) (1) On or before September 1, 2017, the California State  
31 Library shall submit a report to the Director of Finance and the  
32 Legislature about the use of the moneys described in subdivision  
33 (a). The report shall include all of the following:

34 (A) A summary of the grants awarded, including grant amounts.

35 (B) A description of the projects.

36 (C) A description of any additional funding benefiting the  
37 projects.

38 (D) Information about the progress of grantees toward  
39 establishing regional or statewide E-resource platforms.

1 (E) Information, where applicable, about the utilization of shared  
2 E-resources resulting from the grants.

3 ~~(F) A description, where applicable, of any other funding~~  
4 ~~benefiting the projects.~~

5 (2) The report submitted pursuant to paragraph (1) shall be  
6 submitted in compliance with Section 9795 of the Government  
7 Code.

8 *SEC. 6. Section 39 of Chapter 29 of the Statutes of 2016 is*  
9 *amended to read:*

10 Sec. 39. (a) (1) For the 2016–17 fiscal year, the sum of  
11 eighteen million dollars (\$18,000,000) is hereby appropriated from  
12 the General Fund to the State Department of Education for transfer  
13 by the Controller to Section A of the State School Fund for  
14 allocation by the Superintendent of Public Instruction. The  
15 Superintendent of Public Instruction shall allocate these funds to  
16 provide grants to local educational agencies for dropout and truancy  
17 prevention programs pursuant to legislation enacted in the 2015–16  
18 Regular Session. These funds are available for encumbrance  
19 through the 2018–19 fiscal year.

20 (2) *Of the total amount appropriated pursuant to paragraph*  
21 *(1), the department may use up to three hundred thousand dollars*  
22 *(\$300,000) to contract with a local educational agency for the*  
23 *purpose of conducting regional meetings, training, and other*  
24 *technical assistance activities as needed to support the grantees*  
25 *receiving moneys for dropout and truancy prevention programs*  
26 *pursuant to legislation enacted in the 2015–16 Regular Session*  
27 *and pursuant to the development of an expenditure plan. These*  
28 *funds shall be available for expenditure no sooner than 30 days*  
29 *after the expenditure plan is provided to the Joint Legislative*  
30 *Budget Committee.*

31 (b) For purposes of making the computations required by Section  
32 8 of Article XVI of the California Constitution, the appropriations  
33 made by subdivision (a) shall be deemed to be “General Fund  
34 revenues appropriated for school districts,” as defined in  
35 subdivision (c) of Section 41202 of the Education Code, for the  
36 2015–16 fiscal year, and included within the “total allocations to  
37 school districts and community college districts from General Fund  
38 proceeds of taxes appropriated pursuant to Article XIII B,” as  
39 defined in subdivision (e) of Section 41202 of the Education Code,  
40 for the 2015–16 fiscal year.

1     *SEC. 7. This act is a bill providing for appropriations related*  
2 *to the Budget Bill within the meaning of subdivision (e) of Section*  
3 *12 of Article IV of the California Constitution, has been identified*  
4 *as related to the budget in the Budget Bill, and shall take effect*  
5 *immediately.*

6     ~~SECTION 1. It is the intent of the Legislature to enact statutory~~  
7 ~~changes, relating to the Budget Act of 2016.~~